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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/062,745	02/01/2002	Liam Aylmer	4243P2428	2471

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WEISS & MOY PC
4204 NORTH BROWN AVENUE
SCOTTSDALE, AZ 85251

EXAMINER	
POINVIL, FRANTZY	
ART UNIT	**PAPER NUMBER**
3692	

MAIL DATE	DELIVERY MODE
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	10/062,745	AYLMER ET AL.	
	Examiner	Art Unit	
	Frantzy Poinvil	3692	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *01 February 2002*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-17* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-17* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Claim Objections

1. The numbering of the claims is not in accordance with 37 CFR 1.126 which requires the numbering of the claims begins with a claim 1 and follows in a consecutive numbering of the claims. The original numbering of the claims must be preserved throughout the prosecution. When claims are canceled, the remaining claims must not be renumbered. When new claims are presented, they must be numbered consecutively beginning with the number next following the highest numbered claims previously presented (whether entered or not). It appears that after claim 7, the numbering of the next claim is labeled as claim 10 and follows to the last claim 19 which is inconsistent according to 37 CFR 1.126. The old claims (1-7 and 10-19) are renumbered as respective new claims 1-19.

Claim Rejections - 35 USC § 112

2. Claims 1-17 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

As per claim 1, line 5, "quantum" lacks clear antecedent basis.

As per claim 3, line 2, "the proportion" lacks clear antecedent basis. On line 3. "selected combinations" lack clear antecedent basis.

As per claims 11 and 12, "any other exotic bet" renders the claims unclear and indefinite.

As per claim 15, line 3, it is unclear and indefinite as to what "the other" applicant is referring to.

As per claim 16, line 8, "the quantum" lacks clear antecedent basis.

As per claim 17, line 6, "the quantum" lacks clear antecedent basis.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claims 1-17 are rejected under 35 U.S.C. 103(a) as being unpatentable over Brenner et al. (Australian Patent No. 758601).

As per claim 1-10, 14 and 16-17, Brenner et al disclose a system and method allowing remote users to place bets on the outcome of an event to a remote totalisator. See page 24, line 21 to page 25, line 16. The system and method comprise a participant designating as selected outcomes at least two possible outcome of the event and nominating the quantum of the event, then the actual outcome of the event is determined and an award is determined to the participant. See page 29, line 27 to page 30, line 8. The system and method also comprise effecting payment of the wager from the participant to the organizer (page 29, line 27 to page 30, line 8) and if the actual outcome matches one of the selected outcomes, effecting payment of the award from the organizer to the participant is inherent therein since the objective of a participant is to obtain

payment from the organizer providing a winning outcome (page 17, line 29 to page 18, line 3). The unit wager is one unit of a predetermined currency. It should be noted in the system of Brenner et al, there includes a plurality of participants placing different wages and different betting amount, as such a different award would have been determined based on the waging amount based on the outcome of the event.

The only difference between the claimed invention and the system and method of Brenner et al is in the process of determining a bet constant for a wager. As per this difference, Brenner et al state that any type of wages is left to the participants/totalizer. See page 26, line 9-29 and page 17, lines 9-12 of Brenner et al. Furthermore, it is noted that the type of bet or how bets are being placed in term of units, a bet constant being a whole number based on a given type of formula wherein the bet constant may have a range or is being calculated to four decimal places or is being rounded down do not bring patentable differences apart from the teachings of Brenner et al and furthermore, because in Brenner et al a manner of placing a bet as being a given value is taught and the actual payoff value is determined based on the wage being placed (see page 33, lines 1-12, page 44, lines 8-18). The manner of determining the value or allowing a user or participant to place a quantum of the wager for determining a bet constant value would have left to the owner of the system of Brenner et al as such do not affect an end result of determining an award for any of the participants. See page 24, lines 7-14 and page 26, lines 9-29 of Brenner et al.

As per claims 11-13, Brenner et al disclose the event is a race having more than

three predetermined entrants and the outcomes are two or more of:

selecting the entrant that places first in the race;

selecting the entrants that respectively place first and second in the race;

selecting the entrants that respectively place first, second and third in the race;

selecting the first two entrants that complete the race;

selecting the first three entrants that complete the race;

selecting the first four entrants that complete the race; and

any other exotic bet.

Brenner et al also disclose he outcomes are two or more combinations of:

the entrants that respectively place first and second in the race;

the entrants that respectively place first, second and third in the race;

the entrants that respectively place first, second, third and fourth in the race;

the first two entrants that complete the race;

the first three entrants that complete the race;

the first four entrants that complete the race; and any other exotic bet.

The participant selects combinations from multiple races.

see page 13, line 15 to page 15, line 2.

As per claim 15, Brenner et al Brenner et al do not explicitly state that the event is contest which a sporting involves competitors that are individuals or teams that are competing to score more points than the other in accordance with the rules of the contest, the selected outcomes including one or more of the following: one or more of the respective scores

obtained by the individuals or teams; and the difference in the scores achieved by the individuals or teams.

However, such is old and well known in the sport industry, that statistics or scores of individual players or teams are usually maintained and kept on recording during a particular sporting event. This is a well known practiced in the sport of American Baseball, basketball or football. Incorporating these notions in the system of Brenner et al would have been obvious to one of ordinary skill in the art at the time the invention was made in order to provide a more versatile system satisfying many different types of betters of different fanatics.

Claim Rejections - 35 USC § 101

4. 35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-17 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As an initial matter, the United States Constitution under Art. I, Section , cl. 8 gave Congress the power to "promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §1Ol a grant of a patent to "[w]whoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof". Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right

to the inventors for "inventions" that promote the progress of "science and the useful arts". Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena" and "abstract ideas". See *Diamond v. Diehr*, 450, USPQ 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, the courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

The claims appear to recite a preemptive measure and do not appear to recite an end result and/or a useful tangible result. Applicant is referred to MPEP 2106 which states:

"Even when a claim applies a mathematical formula, for example, as part of a seemingly patentable process, USPTO personnel must ensure that it does not in reality "seek[] patent protection for that formula in the abstract." Diehr, 450 U.S. at 191, 209 USPQ at 10. "Phenomena of nature, though just discovered, mental processes, abstract intellectual concepts are not patentable, as they are the basic tools of scientific and technological work." Benson, 409 U.S. at 67, 175 USPQ at 675. One may not patent a process that comprises every "substantial practical application" of an abstract idea, because such a patent "in practical effect would be a patent on the [abstract idea] itself." Benson, 409 U.S. at 71-72, 175 USPQ at 676; cf. Diehr, 450 U.S. at 187, 209 USPQ at 8 (stressing that the patent applicants in that case did "not seek to pre-empt the use of [an] equation," but instead sought only to "foreclose from others the use of that equation in

conjunction with all of the other steps in their claimed process"). "To hold otherwise would allow a competent draftsman to evade the recognized limitations on the type of subject matter eligible for patent protection." Diehr, 450 U.S. at 192, 209 USPQ at 10. Thus, a claim that recites a computer that solely calculates a mathematical formula (see Benson) or a computer disk that solely stores a mathematical formula is not directed to the type of subject matter eligible for patent protection. If USPTO personnel determine that the claimed invention preempts a 35 U.S.C. 101 judicial exception, they must identify the abstraction, law of nature, or natural phenomenon and explain why the claim covers every substantial practical application thereof."

Thus, the claims are being rejected as being non-statutory.

Conclusion

4. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Frantzy Poinvil whose telephone number is (571) 272-6797. The examiner can normally be reached on Monday-Thursday from 7:30AM to 5:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Richard Chilcot can be reached on (571) 272-6777. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Frantzy Poinvil
Primary Examiner
Art Unit 3692

FP
March 30, 2007